

# INFORMATION LETTER

Not for  
Publication

NATIONAL CANNERS ASSOCIATION

For Members  
Only

No. 1692

Washington, D. C.

August 2, 1958

## Status of Emergency Powers under Present Law

The N.C.A. this week investigated rumors that the Administration is seeking executive powers to freeze prices, wages, and rents should the current world situation suddenly develop into a hot war, and that Congress was about to receive such a bill. Checks were made with all of the Congressional Committees to whom any such legislation might be referred and at other sources, and it was established that no such legislation is in preparation or contemplated at this time.

The extent of the President's powers in the Defense Production Act which have to do with allocations, priorities and rationing is outlined below:

Existing law prohibits price and wage stabilization but would permit the President to issue set-aside orders and to regulate the use of critical materials and to exercise certain other emergency powers.

Portions of the Defense Production Act of 1950 remain in effect, the most recent extension having been approved by the President June 28 as P. L. 85-471. Titles I, III, and VII of that Act were continued for another two years—to June 30, 1960—in order to continue executive authority needed to assure performance on contracts for defense and atomic energy projects.

The remaining powers of the President under the Defense Production Act include power to establish priorities for defense contracts, limited power to allocate materials for defense purposes; authority to guarantee loans made in connection with defense contracts; authority to make loans and purchases to build up defense capacity and assure adequate supplies of defense materials; authority for businessmen to cooperate voluntarily in meeting defense needs without violating antitrust laws; and provision for establishment of a reserve of trained executives to fill government positions in time of mobilization.

Under the Act, controls can be used in the civilian market only if the

President finds that a material is scarce and critical and that requirements of national defense cannot be met. The U. S. Department of Commerce has prepared, on a stand-by basis, an order intended to establish quotas on the use of containers for nonseasonal canned food products while permitting unlimited use of containers for seasonal products.

Among the controls for which statutory authority is lacking, in addition to price and wage controls, are requisition and condemnation, settlement of labor disputes, and control of consumer and real estate credit.

## N.C.A. Protests Surplus Labor Clause in Subsistence

The Association this week protested the application of surplus labor area set-asides to the procurement of canned foods by the Military Subsistence Supply Agency. In letters to the Department of Defense and the Quartermaster General and in discussions with the Director of Procurement Policy for the Department of Defense, the N.C.A. pointed out that such procedures could not increase employment but would cause inequities. The text of the Association's July 30 letter to the Department of Defense appears on page 235.

## Social Security Changes

Bi-partisan legislation incorporating major changes in the social security laws was passed July 31, by the House.

The bill, H. R. 13549, according to its sponsors—Chairman Mills and Ranking Republican Reed—would substantially improve the actuarial soundness of the Social Security System with resulting increased revenues more than adequate to finance the benefit increases.

Incorporated in the legislation is an across-the-board increase in social security primary insurance benefits of 7 percent, with a \$3 minimum increase; an increase in the wage base from \$4,200 to \$4,800; an increase in the employer and employee contributions of  $\frac{1}{4}$  percent each, with an increase in the contributions of the self-employed by  $\frac{1}{2}$  percent above the rates now scheduled, along with a step-up in the schedule of future rate increases. The proposed resulting schedule would be as follows:

	Em- ployers (per- cent)	Em- ployees (per- cent)	Self-Em- ployed (per- cent)
1959 .....	2½	2½	3½
1960-63 .....	3	3	4½
1963-65 .....	3½	3½	5½
1966-68 .....	4	4	6
1969 and thereafter ..	4½	4½	6½

## 'September is Canned Foods Month' Will be Ushered in With Official Salutes by USDA and Commerce Departments

Salutes to the canning industry, ushering in "September is Canned Foods Month," have officially been organized at the U. S. Departments of Agriculture and Commerce. The date of September 2 has been selected for ceremonies at the Administration Buildings of both Departments, with backgrounds in each case consisting of striking exhibits of the importance and contribution to the public of the canning industry.

High officials of government will launch the September Month celebration with appropriate remarks about canning from the agricultural and business points of view and response

for the canning industry will be made by President E. E. Burns of N.C.A.

Members of the Washington press-radio-TV corps will be invited and the two events are being staged to enable them to cover the occasion on a single assignment, with the USDA ceremony scheduled for 11:30 a.m. and the Commerce affair at 2 p.m., with luncheon in between. Members of N.C.A. who may be in Washington or nearby at the time are urged to plan to attend the ceremonies and it is felt that many member-canners located in the area will be present.

The exhibits that will furnish the settings for each of the special events

will be on view from August 18 through most of September and will be seen by thousands of daily tourists and visitors to the USDA Patio and the Commerce lobby.

#### The Exhibit at USDA

At USDA the N.C.A. exhibit, 40 feet long by 10 feet high now being put together by Fred van Horsten, with assistance from Bill Jacobson of D.A.Y., the artist for various Consumer and Trade Relations projects, will have as its centerpiece a huge blowup of the alphabetized list of 1,029 different canned foods the industry makes available to the public, and on platforms in front and at the sides will be displayed some 5,000 samples in tin and glass packages. These have been furnished by N.C.A. members, about a third of whom have sent in samples thus far. Other parts of the exhibit will consist of blowups of other pages of *The Almost Complete Canner*, which tells the story of the 1,029 products in verse, and emphasizes variety.

The USDA portion of the exhibit will carry a special message saluting the industry and drawing attention to the September Month. On several 8x8-foot decorative panels it will reproduce the illustrated map (designed under the C&T.R. Program), showing where all the canned foods come from; the progression "From Field to Table," will be carried on panels of the same size showing research in canning crops, the USDA inspection services at work, and the various ways consumers eat their canned foods—at home, in food service establishments, and school lunch. Planners and designers of the exhibit are Arthur Browne, of AMS and David M. Granahan, chief, USDA Exhibit Service.

In one of the rooms off the Patio, continuous showings of "The Three Squares" film will be shown.

#### The Exhibit at Commerce

In the Commerce lobby the U. S. Steel Corporation's 70-foot exhibit will occupy about half the space in semi-circular form and the Department of Commerce exhibit, extending more than 50 feet in length, the other half. The U. S. Steel exhibit portrays the size and importance of the industry. Based on the Information Division publication, *The Canning Industry*, it graphically portrays canning history, economic size and importance, scientific research, nutrition, distribution, factory procedure, containers, etc. The Commerce exhibit will depict the services in behalf of the industry carried out by several of their branches: Business and Defense Serv-

ices Administration and their several divisions including Containers and Packaging, Distribution, Food, Technical Services, Field Services, and others; National Bureau of Standards; Patent Office; Bureau of the Census; and Bureau of Foreign Commerce.

A continuous motion picture depicting canned foods distribution will be shown as part of the exhibit panel on distribution.

Carroll Danielson, commodity industrial analyst for food industries in the Business and Defense Services Administration of Commerce, is in charge of the design and execution of the exhibit.

#### Publicity and Support

In the preparation of publicity copy for USDA, Commerce, and N.C.A. releases to the various media, there is collaboration and exchange checking between Phil Fleming, Information Director of USDA's Agricultural Marketing Service and Nelson H. Budd, Director of the N.C.A. Information Division, and between Henry Scharer, Deputy Director of Public Information, Secretary's Office, Department of Commerce and Mr. Budd.

Contributions to the cost of the salute and exhibits are being made thus far not only by USDA and Commerce but by the Canning Machinery and Supplies Association, the Office of September is Canned Foods Month, the Cannery League of California, and N.C.A.

### Institutional Magazines Plan Canned Food Features

A number of institutional magazines will feature canned foods in September. Two magazines with wide circulation among food service managers have scheduled editorial features by Katherine R. Smith, Director of the N.C.A. Consumer Service Division.

The canned food features are being planned by the magazines in relation to "September is Canned Foods Month."

*Fast Food* magazine, reaching 50,000 restaurant operators each month with advice on how to prepare and serve foods faster, has reported that it will carry an article by Miss Smith as its guest editorial for September, under the heading "Idea of the Month."

*Food Service* magazine, having the highest circulation in the institu-

tional industry with almost 100,000 readers, plans canned food features in both its August and September editions.

The August issue is to carry an 11-page editorial section entitled "Revolution in Canning," kicking off "September is Canned Foods Month." This feature will include a 3-page editorial, an insert of N.C.A.'s "Canned Food Tables" because of the interest in portion control in the commercial operation, and a full-page reproduction of "Canned Food Buying Guide."

In September the guest editorial feature by Miss Smith will be titled "Canned Foods Were Never Better."

*Institutions Magazine* will devote a full page of its September issue, and possibly more, to canned food recipes. This magazine is distributed to 47,000 key people in restaurants, hotels, hospitals, schools and all other operations devoted to mass feeding and housing.

Promotion possibilities for "September is Canned Foods Month" also will be stressed in the *Institutions Food Distributors' Merchandiser*, which is sent to food manufacturers and distributed to the mass feeding field.

### Canned Snap Beans Sought for School Lunch and Military

Plans to purchase canned snap beans were announced this week by both the U. S. Department of Agriculture and the Chicago Military Subsistence Center.

The USDA announcement of July 29 contemplates buying from the 1958 pack for use in the school lunch program. Offers will be considered on canned green snap beans cut style round type meeting requirements of U. S. Grade A and packed in No. 10 or No. 303 can sizes, but No. 10's are preferred.

USDA has mailed invitations to offer canned green beans for school lunch use, including detailed specifications and special requirements on fill and drained weight. Offers should be submitted to the Director, Fruit and Vegetable Division, Agricultural Marketing Service, U. S. Department of Agriculture, Washington 25, D. C., not later than August 8, for acceptance by August 15.

Further details regarding this purchase (FV-257) may be obtained from Claude S. Morris of the Fruit and Vegetable Division (Republic 7-4142, extension 2781).

The notice of intent to purchase 11,200 dozen No. 10 cans of snap

beans, green or wax, extra standard Grade B (CHI NIP-194-59), from the 1957 or later pack was issued by Military Subsistence on July 28. Offers must be received by the Chicago Military Subsistence Market Center, 226 W. Jackson Blvd., Chicago 6, Ill., not later than noon August 6, with awards within 10 days following August 15.

### Text of Letter Protesting Surplus Labor Provision

Following is text of the letter from N.C.A. to the Department of Defense and the Quartermaster General pointing out the inequities of applying surplus labor area set-asides to canned foods procurement:

"Labor surplus area considerations should not be applied to the procurement of canned foods. An attempt to make the procurement of these subsistence items subject to such regulations will not accomplish the desired purpose of increasing employment, but will promote inequities among suppliers.

"Canned foods are not bought under production contracts. Canned foods are bought from supplies that have been packed. This is the case because the Walsh-Healey Public Contracts Act does not recognize the seasonal exemptions from overtime that are available to the canning industry under the Fair Labor Standards Act. Cannerymen generally cannot separate their production and thus accept awards to pack a portion of their production to a government contract. The Department of Defense and the Labor Department recognized this by granting an exemption from the Walsh-Healey Act during the war years so that set-aside orders could be made effective and the military could buy production.

"Since canned foods have been produced before they are purchased, the giving of preferential treatment to surplus labor areas accomplishes nothing. The labor has already been employed, there remains only the nominal work of labeling, casing, and shipping.

"Similarly, since canned foods are agricultural products that are canned in the immediate vicinity where grown, and since production plans for the raw product are made months in advance of the harvest and canning operations, the theory of favoring surplus labor areas at the time of purchase has no application. Cannerymen cannot shift production to arbitrary areas, such as the industrial areas that are suffering from unemployment.

"It is requested that the application of the surplus labor area clause be removed from subsistence contracts."

### MSSA Requirements for Canned Sweet Potatoes

Tentative requirements for canned sweet potatoes from the 1958 pack to meet the needs of the armed forces were announced July 17 by the Military Subsistence Supply Agency, 226 W. Jackson Blvd., Chicago 6, Ill. Procurement will be made by the Richmond Military Subsistence Market Center, 1722 Arlington Rd., Richmond 20, Va.

The requirements are for 3,016,000 pounds of canned sirup-pack sweet potatoes, minimum Brix 25 degrees, Grade A (Fancy), Style I (whole) or Style II (whole and pieces), in No. 2½ cans. This is the equivalent of 69,333 cases of 24/2½'s.

### Peaches for School Lunch

An offer to buy canned Clingstone or Freestone peaches (Lovells and Kim Elberta excluded), halves, slices or quarters, packed during 1958, for use in the school lunch program was announced July 25 by the U. S. Department of Agriculture. Offers will be considered on No. 10 or No. 2½ can sizes, but No. 10's are preferred. Offers of No. 2½'s will be considered on a basis competitive with No. 10's (that is, at an equal cost for equal net weight content).

USDA is now mailing invitations to offer canned peaches for school lunch use, including detailed specifications. Offers should be submitted to the Director, Fruit and Vegetable Division, Agricultural Marketing Service, U. S. Department of Agriculture, Washington 25, D. C., not later than August 12, for acceptance by August 15. USDA requires delivery during the period September 2 through October 4.

### Poultry Inspection Meetings

The Poultry Division of the USDA Agricultural Marketing Service announced it will hold informal meetings in various areas of the country to consider amendments and additions to regulations governing poultry inspection under the Poultry Products Inspection Act.

The schedules of meetings, all starting at 10 a.m., follows:

August 7-8—U. S. Courthouse, Third and Marquette, Minneapolis, Minn.  
August 11-12—252 Seventh Ave., New York, N. Y.  
August 11-12—Rm. 200, Bldg. 1, Pier 37-39, 1519 Alaskan Way, Seattle, Wash.  
August 14-15—Dinkler Plaza Hotel, Atlanta, Ga.  
August 14-15—Federal Office Building, Civic Center, Fulton and Leavenworth Sts., San Francisco, Calif.  
August 18-19—Rm. 1003, Federal Office Bldg., Houston, Texas.  
August 18-19—Hotel Sherman, Chicago, Ill.  
August 21-22—Rm. 303, Federal Office Bldg., Kansas City, Mo.

### Inspection of Canned Fish

Inspection and grading services for fishery products became the responsibility of the Department of the Interior on July 1. These responsibilities were transferred from USDA in accordance with the Fish and Wildlife Act of 1956, one of the objectives of which was to establish all federal fishery activities in the one agency. Regulations to govern the inspection and grading services in the Fish and Wildlife Service were adopted by the Department on June 30.

Inspection service is available to assure wholesomeness and conformity to written specifications for fishery products. There are no voluntary U. S. standards for grades at present for canned fishery products.

### Stocks of Canned Foods on July 1 and Season Shipments

Reports on canners' stocks and shipments of canned green and wax beans, beets, carrots, and tomatoes have been issued by the N.C.A. Division of Sta-

tistics, and detailed reports covering the July 1 stock and shipment situation have been mailed to all packers of these products.

		Total Supply		Canners' Stocks, July 1		Season Shipments to July 1	
	Carry-over month	1956-57	1957-58	1957	1958	1957	1958
		(thousands of cases)					
Beans, green and wax.....	July	30,397	33,128	4,708	*5,449	25,689	27,679
Beets.....	July	11,980	12,587	3,014	*3,121	8,965	9,466
Carrots.....	July	3,468	3,873	1,039	*1,231	2,429	2,642
Tomatoes.....	July	30,396	27,498	5,379	*2,745	25,017	24,753

\* Carryover from 1957 pack into 1958-59 season.



## Wholesale Distributors' Stocks of Canned Foods

A report on stocks of 23 canned foods in the hands of wholesale distributors on July 1 has been issued by the Bureau of the Census, U. S. Department of Commerce.

**Vegetables**—Distributor stocks of green and wax beans and tomatoes showed increases over stocks on hand last July 1, of 5 and 2 percent respectively, while corn was down 1 percent, and sauerkraut, 5 percent, and tomato catsup and chili sauce noted 5 percent decreases. Pumpkin, squash, and lima beans also showed reductions from a year ago. However, all other items indicated heavier stocks—the largest increase (68 percent) being reported for tomato sauce, more than offset by a substantial decrease in canners stocks.

**Fruits**—July 1 stocks of the five canned fruit items measured small increases over their year-ago levels. However, except for canned apples, the total available supply of these items was reduced, since canners stocks were substantially lower than stocks on hand last July 1. Percentage-wise, red-pitted cherries showed the principal increase (14 percent) at the distributors level and the sharpest decline (48 percent) at the canners level. Pineapple stocks, with distributors holding 1.9 million cases, and 5.6 million cases in canners hands, showed a greater reduction in terms of volume—1.5 million cases below stocks on hand July 1, a year ago.

**Juices**—Distributors stocks of the citrus juices were 5 to 22 percent above a year ago. However, tomato

juice and pineapple juice stocks were reduced 2 to 4 percent below July 1.

Canners stocks of all juices were below a year ago, with citrus juices and pineapple juice showing substantial reductions of 38 to 56 percent while tomato juice was down only 7 percent.

**Fish**—Distributors stocks of Maine sardines decreased 13 percent below a year ago. Canners stocks were reduced 57 percent during the same period.

Commodity	July 1 1957	June 1 1958	July 1 1958
(thousands of actual cases)			
<b>Vegetables:</b>			
Beans, green and wax	2,548	2,822	2,682
Beans, lima	554	n.a.	519
Beets	1,098	n.a.	1,130
Carrots	363	n.a.	401
Corn	3,540	3,660	3,515
Pumpkin and squash	382	n.a.	332
Sauerkraut	573	607	544
Tomatoes	2,513	n.a.	2,555
Tomato catsup, chili sauce	2,375	n.a.	2,255
Tomato paste	462	n.a.	500
Tomato puree (pulp)	448	n.a.	492
Tomato sauce	440	n.a.	739
<b>Fruits:</b>			
Apples	402	426	416
Applesauce	1,131	1,229	1,162
Cherries, red-pitted	309	390	353
Grapefruit segments	397	440	421
Pineapple	1,861	1,834	1,873
<b>Juices:</b>			
Citrus blends	540	575	566
Grapefruit	909	1,116	1,036
Orange	1,148	1,460	1,395
Pineapple	1,303	1,149	1,280
Tomato <sup>1</sup>	2,128	n.a.	2,053
<b>Fish:</b>			
Maine sardines	212	237	184

n.a.—not available.

<sup>1</sup> Includes vegetable juice combinations containing at least 70 percent tomato juice.

## House Committee Approves N.C.A.-supported Additive Bill

A modified Administration measure (H. R. 13254) to require the pretesting of food additives and regulating their use was approved this week by the House Committee on Interstate and Foreign Commerce. The National Canners Association has advised the Committee Chairman that the proposal has its support.

The action of the Committee, formally completed on July 28, culminated more than five years of study of the subject of chemicals in food, first by a special Committee and then by the standing Committee. An identical bill (S. 4193) was introduced in the Senate on July 28 by Chairman Lister Hill of the Committee on Labor and Public Welfare.

N.C.A. participated in the hearings of the special Committee, known as the Delaney Committee, and in the legislative hearings of the Committee on Interstate and Foreign Commerce.

Although the industry's interest is relatively minor, the Association assumed an active part in the development of the legislation to be constructively helpful because of its special scientific and legal knowledge and experience in the food and drug field.

At the special hearings which investigated the subject, N.C.A. scientists pointed that the canning process does not call for the use of chemical additives, within the connotation of the investigation, but noted that new developments in food processing might have significance to the industry. At the legislative hearings Counsel for the Association further identified the interest of the industry and discussed the then-pending Administration bill and a substitute containing its full recommendations of the Association (see INFORMATION LETTER of July 27, 1957, page 255).

As reported by the House Committee, the bill meets a number of the major objections raised by the Association. For instance, the authority

for the Food and Drug Administration to consider the "functional value" of a proposed additive and the establishment of advisory committees have been removed.

The FDA has endorsed the action of the Committee and prompt consideration by the House is expected. The introduction of the companion Senate bill by the Chairman of the Committee having jurisdiction followed informal discussions on the Senate side of the Capitol by proponents of the legislation. Final passage and enactment of the bill this Congress, in the absence of any opposition, therefore now appears possible.

## Mexican Labor Bills Reported

The continuation of the Mexican farm labor program beyond June 30, 1959, was approved by both Senate and House Agriculture Committees this week. The House Committee reported a bill (H. R. 10360) to extend the program for two additional years and the Senate Committee approved a bill to allow the program to operate one additional year (June 30, 1960).

Employers of Mexican Nationals had agreed early in the year to seek legislation that would give permanent authority for the importation of Mexican farm workers under supervision of the Farm Placement Service of the U. S. Department of Labor. Controversy between the Labor Department and the user groups, principally over minimum wage proposals, resulted in many of the employer representatives supporting only a limited extension.

The action of the two committees forecasts an extension of the program for at least an additional year before Congress adjourns.

## Federal Preemption Bill

The House on July 17 passed, with an amendment, H. R. 3, to modify the doctrine of federal preemption.

Courts, relying on this doctrine, have in the past declared invalid state laws that impliedly conflict with or infringe upon the policy of federal laws (see INFORMATION LETTER of May 29, page 177).

The House-passed bill provides that a state law would be nullified by a federal law on the same subject unless the federal law explicitly so provides or there is a direct conflict between the two laws.

As reported previously, Representative Keating (N. Y.) wrote in a sep-

arate report opposing the bill: "Farmers and marketers of agricultural produce complying with the Federal Food, Drug, and Cosmetic Act no longer would be protected from prosecution under numerous state laws which set up different and varying standards for compliance."

## Canned, Frozen Foods Put on Equal Basis by Traffic Bill

Congress completed action this week on the omnibus transportation bill, S. 3778, with provisions terminating the agricultural exemption for frozen foods under section 203(b)(6) and putting their movement by motor truck back under economic regulation.

Aimed primarily at easing the economic difficulties of the railroads, the legislation authorizes federal guarantees of loans to the railroads and contains five major changes in ICC regulatory authority.

### AGRICULTURAL EXEMPTION

One section of the bill writes into law an administrative ruling by the ICC (No. 107, dated March 19, 1958) which lists a number of agricultural commodities as either "exempt" or "non-exempt" within the meaning of section 203(b)(6) of the Interstate Commerce Act. The ICC ruling lists canned fruits, canned vegetables, canned fish, and canned meats as "non-exempt" commodities, and the legislation therefore is the first Congressional determination of the status of canned foods in this connection.

The legislation specifies that "frozen fruits, frozen berries or frozen vegetables" are not to be considered "exempt" commodities. With respect to frozen foods and a number of imported agricultural commodities for which the exemption is terminated, grandfather rights are provided. Any person engaged on May 1, 1958, in trucking commodities brought back under ICC rate regulation by this legislation will be entitled to a certificate or permit allowing him, under regulation, to continue hauling the same commodities within the same areas or between the same points.

With enactment of this legislation, therefore, the motor truck transportation of canned and frozen foods by common carrier will be regulated on a similar basis.

The bill also specifies that "cooked or uncooked (including breaded) fish or shell fish when frozen or fresh" are exempt from economic regulation, but that fish which have been treated for preserving, "such as canned,

smoked, pickled, spiced, corned or kippered products," shall be subject to regulation.

Purpose of the various amendments to the so-called agricultural exemption is to return to economic regulation a number of agricultural commodities which have undergone various degrees of processing or which are imported, and to prevent further expansion of the scope of the exemption.

### PSEUDO PRIVATE CARRIAGE

S. 3778 contains a provision designed to assist ICC in its enforcement against "buy-and-sell" arrangements, in which title to merchandise has been taken by some common carriers as well as some private carriers, and then resold. The legislation adds the following prohibition at the end of section 203(c) of the Act:

"nor shall any person engaged in any other business enterprise transport property by motor vehicle in interstate or foreign commerce for business purposes unless such transportation is within the scope, and in furtherance of, a primary business enterprise (other than transportation) of such person."

The Congressional committees which drafted the bill stated in their reports that there was no intention on their part to jeopardize or interfere with bona fide private carriage.

### OTHER PROVISIONS

Other provisions of the omnibus legislation will:

(1) Authorize the ICC to guarantee loans to railroads for capital expenditures and maintenance, the aggregate principal amount of loans guaranteed not exceeding \$700 million, of which no more than \$150 million can be for operating expenses and interest on existing obligations, the authority to guarantee loans being scheduled to expire March 31, 1961.

(2) Enable the ICC to adjust intrastate rail rates when adjusting interstate rates, changing existing law so as to overcome court decisions which have limited ICC authority in this area.

(3) Authorize ICC to order the discontinuance of unprofitable trains, notwithstanding orders of state regulatory commissions.

(4) Clarify that Congress wants the ICC to put principal emphasis, in rate-making, on conditions surrounding the movement of traffic by the mode to which the rate applies, and that rates of a carrier shall not be held up to a particular level in order to protect the traffic of another mode of transportation.

## Status of Legislation

**Agricultural trade development**—S. 3420, to raise Title I authorizations from \$4 to \$7.5 billion and to extend P. L. 480 for two years, to June 30, 1960, was passed by the Senate March 20 and by the House, with amendments, July 23, and sent to conference. S. 4071, the omnibus farm bill, passed by the Senate July 28 contains language identical to S. 3420.

**Anti-dumping Act**—H. R. 6006, to amend the Anti-dumping Act of 1921 so as to facilitate determinations under the Act, was passed by the House Aug. 29, 1957, and by the Senate, with an amendment, May 26, and sent to conference.

**CCC equity payments**—S. 2426 (Elender of La.), to authorize CCC to acquire title to unredeemed loan collateral without obligation to make equity payments, is pending before Senate Agriculture Committee.

**Country Life Commission**—H. R. 13504 (Hays of Ark.), to provide for the creation of a 25-member Country Life Commission to make broad recommendations on the total development of country life, was approved by a subcommittee of the House Agriculture Committee July 22.

**Customs drawback**—H. R. 9919, to amend the Tariff Act of 1930 to extend the privilege of substitution for the purpose of obtaining drawback upon reexportation of all classes of merchandise, was passed by the House Feb. 27 and reported without amendment by the Senate Finance Committee July 31.

**Farmworkers housing**—H. R. 9057, to provide for five-year amortization of housing facilities for farmworkers, was reported by House Ways and Means Committee Aug. 21, 1957.

**FDA food additives**—H. R. 13254 (Williams of Miss.) was reported by the House Commerce Committee July 28. S. 4193 (Hill of Ala.), a companion bill, is pending before the Senate Labor and Public Welfare Committee. N.C.A. supports (see story, page 236).

**Federal preemption**—H. R. 3, to modify the doctrine of federal preemption, was passed by the House July 17.

**Fisheries loan fund**—S. 2720, to increase the loan fund authorization from \$10 million to \$13 million, was passed by the Senate Aug. 20, 1957. S. 3295, to increase the authorization from \$10 to \$20 million, was passed by the Senate May 29.

**Food stamp plan**—H. R. 13054, to direct the Secretary of Agriculture to establish a food stamp plan, was approved by House Agriculture Committee June 25.

**ICC agricultural exemption**—S. 3778, including the proposal to terminate the 203(b)(6) exemption for frozen fruits and vegetables, was passed by the Senate June 11 and by the House June 27, with amendments, and sent to conference; the conference report was adopted by the Senate and House July 30 and cleared for the President (see story, page 237).

**ICC private carrier definition**—S. 3778, including the provision amending the definition of a private motor carrier so as to stop "buy-and-sell" trucking, was passed by the Senate June 11 and by the House June 27, with amendments, and sent to conference; the conference report was adopted by the Senate and House July 30 and cleared for the President (see story, page 237).

**Marketing orders**—H. R. 8367 (Sisk of Calif.) is designed to authorize the Secretary of Agriculture to continue marketing orders in effect even after parity is reached. No action scheduled.

**Marketing orders, cranberries**—S. 1680 (10 Senators from 5 cranberry producing states) and other bills to amend the Agricultural Marketing Agreement Act so as to authorize marketing orders for cranberries for canning, were the subject of hearings by a Senate Agriculture Subcommittee April 20, 1957. N.C.A. opposes.

**Mexican farm labor**—H. R. 10360 (Gathings of Ark.), to extend the authority under P. L. 78, 82d Congress, to import Mexican nationals for employment in agriculture, was reported by the House Agriculture Subcommittee Aug. 1 with an amendment limiting extension to two years; the Senate Agriculture Committee on July 30 approved extension for one year (see story, page 236).

**Packers and Stockyards Act**—S. 1356 (O'Mahoney of Wyo.), to transfer antitrust jurisdiction over meat packing operations from USDA to FTC, was passed (as recommended by the Agriculture Committee) by the Senate May 15.

H. R. 9020, to retain USDA jurisdiction on exclusive meat packing operations, was reported by House Agriculture Committee July 9, 1957.

**Potato marketing and labeling**—A number of bills to prohibit the sale of potatoes of a lower grade than U. S. No. 2, under certain conditions, were the subject of hearings by the House Agriculture Committee and by the Senate Agriculture Committee in 1957. N.C.A. opposes application to canning.

**Premerger notification**—H. R. 7698 (Celler of N. Y.), to require 60 days notice prior to merger of corporations having total book value of more than \$10 million, was reported by House Judiciary Committee May 28, 1957. Similar legislation, with amendments, was approved by the Senate Antitrust

Monopoly Subcommittee June 26 and is pending before the Senate Judiciary Committee.

**Puerto Rico minimum wage**—H. R. 12967, to authorize biennial reviews of wage rates in Puerto Rico which are below the statutory minimum, rather than annual reviews, was reported by House Labor Committee July 21.

**Raw product bargaining**—H. R. 6799 (Bow of Ohio) and H. R. 7807 (Bentley of Mich.), to authorize cooperative associations of producers to bargain with purchasers singly or in groups, are pending before House Judiciary Committee. S. 2444 (Aiken of Vt.) was passed by the Senate July 15, with an amendment limiting its application to milk, and has been referred to the House Judiciary Committee.

**Robinson-Patman Act**—S. 11 (Kaufman of Tenn.) and H. R. 11 (Patman of Tex.), to restrict the good faith defense against a charge of price discrimination, was approved without recommendation, by Senate Antitrust Subcommittee June 21, 1957, and a substitute measure, which would ap-

ply only to foods, drugs and cosmetics, was reported by the Senate Judiciary Committee July 28.

**Small business tax revision**—H. R. 13382, to provide tax revision for small business, was passed by the House July 21.

**Trade Agreements Act**—H. R. 12591 (Mills of Ark.), to amend and extend the Trade Agreements Act for five years as recommended by the Administration, was passed by the House June 11 and by the Senate, with amendments, July 22, and sent to conference.

**Wage-Hour**—S. 1853 (Kennedy of Mass.), which includes proposal to eliminate overtime fishery exemption, was approved, without recommendation, by Senate Labor Subcommittee May 7, 1957.

**Waste disposal**—H. R. 1082 (Byrnes of Wis.), H. R. 2463 (Lipcomb of Calif.), and H. R. 4134 (Simpson of Pa.), to allow rapid amortization of waste disposal facilities and treatment works, have been introduced. N.C.A. supports the proposal, which is before House Ways and Means Committee.

## FCC Adopts New Rules for Use of Two-Way Mobile Radio

The Federal Communications Commission recently revised the rules governing the use of two-way mobile radio in the Special Industrial Radio Service. These changes are of considerable importance to all canners now using radio in connection with the harvesting of perishable fruits and vegetables, and other canners contemplating such use.

The new rules will provide for the first time that all applications for frequencies available in the Special Industrial Radio Service be accompanied by evidence of frequency coordination. It is the opinion of Association Counsel that this new requirement makes it desirable that N.C.A. take some measures to protect the interests of all canners now using mobile radio in field operations or contemplating such use in the future by participating in frequency coordination activities.

Frequencies for mobile radio operations are assigned by the FCC to applicants who show that they are eligible in one of several mobile radio services. Under the rules recently adopted by the FCC, canners continue to be eligible for authorization to operate radio stations in the Special Industrial Radio Service.

Other industry activities eligible for radio licenses in the SIRS include heavy construction activities, mining, oil and gas drilling, petroleum pro-

duction equipment, and the delivering and pouring of ready-mixed concrete or hot asphalt.

In the past the rules did not require frequency coordination and SIRS applicants, provided they were eligible, were granted authorization on whatever frequency they requested. Because of the tremendous increase in the number of mobile radio licensees and the consequent crowding of frequencies and heightened interference, the FCC decided that some means of frequency coordination must be established for users of this Service. In this way, the interests of current users in holding interference to a minimum will be promoted and new applicants will be assured of receiving the best available frequencies.

Under the new FCC rule (Section 11.9), each application requesting assignment of a frequency not previously authorized for use by the applicant must be accompanied by one or the other of the following:

"(2) Frequency coordination where required by the provisions of this section may be accomplished by the submission of a report, based on a field study, indicating the degree of probable interference to existing stations operating in the same area. The report shall consider all stations operating on the requested frequency within 75 miles of the proposed station, and all stations operating on any adjacent frequency within 30 kilo-



cycles of the requested frequency and within 35 miles of the proposed station. Further, the applicant shall submit a statement under oath that all existing licensees within the frequency and mileage limits contained herein have been notified of the applicant's intention to request the particular frequency.

"(3) In lieu of the report and statement described in subparagraph (2) of this paragraph, the applicant may submit a statement from a frequency advisory committee recommending the specific frequency which in the opinion of the committee will result in the least amount of interference to existing stations operating in the particular area. The frequency advisory committee must be so organized that it is representative of all persons who are eligible for radio facilities in the service concerned in the area the committee purports to serve. In addition to the selection of specific frequencies, committee recommendations may appropriately include comments on other technical factors such as power, antenna height and characteristics which may serve to mitigate any contemplated interference situation. The functions of such committees must be purely advisory in character to the applicant and the Commission, and their recommendations cannot be considered as binding upon either the applicant or the Commission."

Although an alternative to frequency coordination by advisory committee is proposed, the expense and difficulty of completing the field study report and notifying all licensees within the mileage and frequency ranges indicated make it virtually certain that frequency advisory committees will be established and their recommendations sought by most, if not all, applicants.

The N.C.A. feels that if the interests of canners are to be protected in the assignment of new frequencies, the industry should be represented in some way in the frequency advisory system to be established within the next few months. According to present plans, N.C.A. will participate in the formation and eventual operation of a frequency advisory system for the SIRS. In this way the interests of all those canners who now use mobile radio and those who may apply in the future, would be protected, and it would be unnecessary for individual canners to take any further steps to protect and preserve their eligibility for mobile radio and the integrity of their mobile radio frequencies.

The N.C.A. Raw Products Research Bureau will welcome any comments or suggestions from the industry with regard to the formation and operation of the frequency advisory system.

## Merger of Three Canning Journals Effective October 1

Three well-known businesspaper publishers in the processed food field are merging their publications into a new single magazine, *Canner/Packer*, effective with the October issue, to be published monthly.

A statement issued in behalf of the group by Herbert A. Vance, president of the newly formed Triad Publishing Corp. with headquarters at 59 E. Monroe St., Chicago 3, Ill., and branch offices at New York and San Francisco, reports the merger of *Canner and Freezer*, founded in 1895; *Food Packer*, founded as *Canning Age* in 1919; and *Western Canner and Packer*, founded in 1909. The three papers being consolidated will publish their August and September 1958 issues as heretofore.

Officers of the new corporation besides Mr. Vance are Paul E. Clissold, president of Clissold Publishing Corp., Chicago, as secretary-treasurer, and William B. Freeman, president of Miller Freeman Publications, San Francisco, as vice president.

Mr. Vance states that the three publishers have felt for some time that the processed food industry, now a \$6 billion industry that buys some \$3.9 billion worth of raw products, ingredients, machinery, equipment, packaging, labels and supplies, needed the strengthened publication which this merger will bring to the field.

The new publication, *Canner/Packer*, will have the guidance of three experienced publishers, all presidents of multi-publication organizations. It will be an ABC-ABP publication, combining the circulation of the three papers, with the duplicates eliminated. It will be issued monthly in two editions—a national edition with approximately 6,300 paid circulation and a western edition with approximately 2,200 paid circulation, and will serve packers and distributors of canned, dry, frozen and glass-packed foods, including the latest prepared and precooked complete meals, entrees and specialties.

Then new publication will draw its staff from the three component businesspapers. Editor will be Elverson Stark of *Western Canner and Packer* who has a background of nearly 25 years' experience in the field; managing editor, Dennis Murphy of *Food Packer*; eastern editor, Walter Clissold of *Canner and Freezer*; northwest editor, Leo Livingston of *Western*

*Canner and Packer*; and technical editor, Dr. Wilbur Gould of *Food Packer*. General manager will be Melvin Carlson of *Food Packer* whose experience in the food packing industry dates back over 20 years.

## Youth Film on TV

Station WRCA-TV (New York City Channel 4) has advised the N.C.A. that it plans to telecast "The Story of John Porter" in the period 7-8 a.m., Saturday, August 9, and Sunday, August 10. This film is one of the two youth films produced under the Consumer and Trade Relations Program as part of its farm youth, canner-grower activity.

## The American Weekly

"Dinner with Ease" was food editor Amy Alden's Household Almanac article in *The American Weekly* magazine of July 27.

The author described the four recipes given in the article as "quick, delicious new ways to serve old favorites." The recipe "Sautéed Chicken and Olives" used canned mushrooms and tomato sauce; "Bean and Mushroom Dinner" used canned luncheon meat, pork and beans in tomato sauce and mushrooms; and "Shimmering Pudding" included canned apple sauce.

An attractive black and white photograph illustrating the article showed "Bean and Mushroom Dinner".

## Prune Juice Standard

The order amending the definition and standard of identity for canned prune juice, designating honey as an optional ingredient, was published by the Food and Drug Administration in the *Federal Register* of July 30, and will become effective within 90 days from its date of publication. The amended text was reproduced in the INFORMATION LETTER of June 7.

## W. R. Hathaway

Word has just reached the Association of the death on June 30 of J. W. ("Bill") Hathaway, of Hathaway Brothers, Columbia Falls, Maine, who served on the Board of Directors 1953-56.

Mr. Hathaway became ill late in 1957 and had been in hospitals in Bangor and Boston, Mass., where operations for ileitis and diverticulitis failed to arrest the illness.

## REPORTS ON ASSOCIATION ACTIVITIES

### Research Laboratories

Irrigation of liquid wastes is an accepted method for land disposal of industrial waste effluents which can be tolerated by agricultural soil. In its application to canning wastes, irrigation is one of the newer and more popular treatment methods. The method has features of relative economy, pollution abatement, and absence of odor which make it particularly attractive to canners.

Studies on disposal methods for canning plant effluents have been included in the Laboratory program of the N.C.A. for many years. These studies were initiated nearly 30 years ago at the time of the first state legislation aimed at stream pollution abatement. Since that time tightening regulatory controls have continued to make disposal of canning plant effluents more difficult and expensive each year.

It has been the objective of the Research Laboratories to assist canners in disposing of their plant effluents in order to comply with these regulatory requirements. The N.C.A., industry, and other interested groups have conducted studies to determine the utility of various treatment methods for canners' use and the operating conditions necessary for individual methods.

N.C.A. has cooperated with the U. S. Department of Agriculture in investigating treatment methods employed in six eastern states. Results of these investigations by Manhattan College, under a \$25,000 two-year contract with USDA, indicate that while land irrigation of canning plant effluent stands out as an economically feasible method of disposal, it requires further development. It was expected that this preliminary investigation would be followed by specific studies, but financial aid has been discontinued, leaving the problem diagnosed but with no solution.

Efforts are continuing to have the Irrigation and Drainage Section of the Soil and Water Management Research Branch, ARS, USDA, conduct this research on land disposal of food plant waste waters. The N.C.A. Research Laboratories have worked with state associations and independent organizations in efforts to obtain financial support for a research project, national in scope, which would provide basic information for canners employing land disposal and those anticipating installation of land disposal systems.

The objectives of such a project would generally involve studies of:

- (1) Methods of effectively disposing of the wastes on the land without impairing the soil or contaminating water resources.

- (2) Methods of utilizing and conserving the water and organic constituents of the wastes for agricultural purposes.

The problems involved in land irrigation of waste waters are closely associated with those of supplemental irrigation, drainage, soil microbiology, and soil fertility. However, existing research information in these fields is not directly applicable, largely due to differences in the application rates involved.

In order to accomplish the above objectives, the project has been divided into two stages of study. The first stage would involve the physical factors; and the second stage, the factors of public health significance.

The physical factors include recharging subsurface water; removal of suspended material; soil intake, transmission, and holding capacities; proper cover crops; and effects of maximum waste application to soils.

The factors of public health significance include avoiding transmission of impurities to potable water supplies; possible re-use of water transmitted to underground water courses; and effects on aquatic life of waste waters that have filtered through disposal fields.

The Soil and Water Conservation Research Division of the USDA's Agricultural Research Service is well equipped and willing to study the physical factors. Concentrated effort was made to have funds provided for the Soil and Water Conservation Research Division to initiate this re-

search during fiscal year 1959. Although funds were not provided it is planned to continue working with the USDA on the preliminary phases this season. Meanwhile, effort will be made to have this program included in the USDA budget for fiscal year 1960.

To reach the objectives of such a program, it would be desirable to use a team of five scientists working specifically on irrigation of processing plant waste waters. This team might well consist of a soil physicist, a soil microbiologist, an agronomist, an agricultural engineer, and a soil scientist. It is estimated that such a project, conducted by the Irrigation and Drainage Section of the Soil and Water Conservation Research Division, would cost \$100,000 to \$125,000 annually, and would require a period of four or five years, perhaps more, to complete.

Although land disposal of food plant waste waters does show promise, other methods must be kept in sight. Research of the type outlined will not solve all the problems of cannery waste disposal since it is not possible to use irrigation in all instances. The N.C.A. Laboratories are continuing to assist canners in effectively disposing of their plant effluents and to develop new and to improve existing waste treatment methods to comply with regulatory requirements. Studies are being conducted to improve water economy and increase efficiency of water usage.

A cooperative approach to these problems is necessary. Industry and the agencies concerned with the water and waste problem must join in looking for solutions to the difficult and complex waste disposal problems confronting both industry and the community.

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